

STATE OF WASHINGTON
GAMBLING COMMISSION

In the Matter of the Suspension or Revocation of)
the License to Conduct Gambling Activities of:)

Kozy Tavern)
Everett, Washington,)

Licensee.)
_____)

NO. CR 2012-00420

**NOTICE OF ADMINISTRATIVE
CHARGES AND OPPORTUNITY
FOR AN ADJUDICATIVE
PROCEEDING**

I.

The Washington State Gambling Commission issued Kozy Tavern, organization number 00-21018, license number 05-20451, authorizing Class "E" Punchboard/Pull-Tab activity.

The license expires on September 30, 2012, and was issued subject to the licensee's compliance with state gambling laws and regulations.

II.

Rick Day, Director of the Washington State Gambling Commission, charges the licensee with the following violations of the Washington State Gambling Act, 9.46 RCW, and WAC Title 230:

1) Kozy Tavern has not submitted its quarterly activity report for the third and fourth quarters of 2011, which was due on January 30, 2012. This is the fourth time out of the last five reporting periods that the licensee has failed to timely submit its activity report.

- On February 22, 2010, the licensee was issued a \$300 Notice of Violation and Settlement (NOVAS)¹ for the failure to submit its activity reports for the 3rd and 4th quarters of 2009. The reports were due on January 30, 2010, and were not submitted until February 28, 2010.
- On February 15, 2011, the licensee was issued a \$500 NOVAS for the failure to submit its activity reports for the 3rd and 4th quarters of 2010. The reports were due on January 30, 2011, and were not submitted until June 8, 2011.
- On October 26, 2011, the licensee again failed to submit its activity reports for the 1st and 2nd quarters of 2011, due on July 30, 2011. Which were not submitted until October 25, 2011. A case report for information only was submitted by a Commission Special Agent.

¹ A NOVAS identifies the violation, and in this case, gives the recipient the opportunity to pay a fine and submit its delinquent report to settle the matter.

2) The licensee has the following reporting history for its quarterly activity reports:

| Report Period | Due Date | Received Date | Days late |
|---------------|-----------|------------------|-----------|
| 2009-3&4 | 1/30/2010 | 2/28/2010 | 28 |
| 2010-1&2 | 7/30/2010 | 7/30/2010 | 0 |
| 2010-3&4 | 1/30/2011 | 6/8/2011 | 129 |
| 2011-1&2 | 7/30/2011 | 10/25/2011 | 87 |
| 2011-3&4 | 1/30/2012 | Not received yet | |

3) By not submitting activity reports to Commission staff within the due dates, Kozy Tavern is in violation of WAC 230-14-284(1) and (2).

4) As of April 9, 2012, Kozy Tavern had not submitted its punchboard/pull-tab activity report for the third and fourth quarters of 2011.

5) Kozy Tavern's repeated failure to submit its activity reports demonstrates its willful disregard for complying with state administrative rules. Therefore, grounds exist for the suspension or revocation of Kozy Tavern's license to conduct gambling activities, based on RCW 9.46.075(1) and WAC 230-03-085(1), (3), and (7).

RCW 9.46.075(1) Denying, suspending, or revoking a license or permit

The Commission may deny an application, or suspend or revoke any license or permit issued by it, for any reason or reasons, it deems to be in the public interest. These reasons shall include, but not be limited to, cases wherein the applicant or licensee, or any person with any interest therein: (The following subsection applies.)

(1) Violated, failed or refused to comply with the provisions, requirements, conditions, limitations or duties imposed by chapter 9.46 RCW and any amendments thereto, or any rules adopted by the Commission pursuant thereto, or when a violation of any provision of chapter 9.46 RCW, or any Commission rule, has occurred upon any premises occupied or operated by any such person or over which he or she has substantial control.

WAC 230-03-085 Denying, suspending, or revoking a license or permit

We may deny, suspend, or revoke any application, license or permit, when the applicant, licensee, or anyone holding a substantial interest in the applicant's or licensee's business or organization:

(The following subsections apply.)

(1) Commits any act that constitutes grounds for denying, suspending, or revoking licenses or permits under RCW 9.46.075.

(3) Has demonstrated willful disregard for complying with ordinances, statutes, administrative rules, or court orders, whether at the local, state, or federal level.

(7) Fails to provide us with any information required under Commission rules within the time required, or, if the rule establishes no time limit, within thirty days after receiving a written request from us.

WAC 230-14-284 Activity reports for punchboard and pull-tab licensees

Punchboards and pull-tab licensees must submit an activity report to the Commission. Licensees must complete the report in the format we require and must:

(The following subsections apply.)

(1) Cover the periods: (a) January 1 through June 30; and (b) July 1 through December 31; and

(2) Be received at our administrative office or postmarked no later than thirty days following the end of the reporting period.

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I hereby certify that I have this day saved a copy of the document upon all parties of record in the proceeding by mailing a copy thereof, properly addressed with postage prepaid, by regular and certified mail to each party to the proceeding or his or her attorney or authorized agent.

Dated at Olympia, Washington this _____ day of _____

Washington State Gambling Commission
Communications and Legal Department

STATE OF WASHINGTON)
) ss
COUNTY OF THURSTON)


III.

Jurisdiction of this proceeding is based on 9.46 RCW, Gambling, chapter 34.05 RCW, the Administrative Procedure Act, and WAC Title 230.

The licensee will have the opportunity to have a hearing on the alleged violations. In order to have a hearing, the enclosed REQUEST FOR HEARING must be completed in full by the licensee or representative and returned to the Gambling Commission within **23 days** from the date of the mailing of this notice. Based on RCW 34.05.440, FAILURE TO RETURN THIS DOCUMENT WILL RESULT IN THE ENTRY OF A DEFAULT ORDER FOR REVOCATION OF YOUR LICENSE.


STATE OF WASHINGTON)
) ss.
COUNTY OF THURSTON)

Rick Day, being duly sworn on oath, says: That he has read this Notice of Administrative Charges and Opportunity for An Adjudicative Proceeding, knows the contents of it, believes it to be true, that he is the Director of the Washington State Gambling Commission, and in that capacity has executed said Notice.



RICK DAY, DIRECTOR

SUBSCRIBED AND SWORN TO before me
this 9 day of April, 2012.



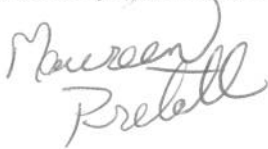
NOTARY PUBLIC in and for the State of
Washington residing at Thurston County

My commission expires on December 2, 2015

STATE OF WASHINGTON)
) ss.
COUNTY OF THURSTON)

I hereby certify that I have this day served a copy of the document upon all parties of record in the proceeding by mailing a copy thereof, properly addressed with postage prepaid, by regular and certified mail to each party to the proceeding or his or her attorney or authorized agent.

Dated at Olympia, Washington this 10 day of April, 2012



Communications and Legal Department
Washington State Gambling Commission

